

EXHIBIT 12

8-K/A 1 v232533_8ka.htm

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K**(Amendment No. 2)**

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 7, 2011

Puda Coal, Inc.

(Exact name of registrant as specified in its charter)

333-85306
(Commission File Number)**Delaware**
(State or other jurisdiction of
incorporation)**65-1129912**
(I.R.S. Employer Identification No.)**426 Xuefu Street, Taiyuan, Shanxi Province,
The People's Republic of China**
(Address of principal executive offices, with zip code)**011 86 351 228 1302**
(Registrant's telephone number, including area code)**Not Applicable**
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 4.02 Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review

On July 14, 2011, Puda Coal, Inc. (the “Company”) filed a current report on Form 8-K (“Original Filing”) in connection with the receipt of a resignation and non-reliance letter from Moore Stephens, its former independent registered public accounting firm, dated July 7, 2011 (the “Moore Stephens Letter”). In the Moore Stephens Letter, Moore Stephens informed the Audit Committee that the management representation letters provided to Moore Stephens by the Company in connection with the audits of the Company’s consolidated financial statements for fiscal 2009 and 2010 included representations that were materially inconsistent with the transfers of subsidiary ownership by the Company’s Chairman, Mr. Ming Zhao, which are currently subject to the investigation by the Audit Committee, and therefore, the management representation letters can no longer be relied on by Moore Stephens. The Moore Stephens Letter was filed as Exhibit 7.1 to the Original Filing in redacted form and a confidential treatment was requested for certain portions thereof. Such confidential treatment was not granted by the Securities and Exchange Commission (the “Commission”). Therefore, the Company hereby amends the Original Filing by providing a complete copy of the Moore Stephens Letter as Exhibit 7.1. The investigation into the alleged transfers referenced in the Moore Stephens Letter is ongoing and no final conclusion has been reached yet.

The Company requested Moore Stephens to furnish to the Company as promptly as possible a letter addressed to the Commission stating whether Moore Stephens agrees with the statements made by the Company in the Original Filing, as amended by this report and, if not, stating the respects in which it does not agree. The Company received such letter from Moore Stephens on August 18, 2011. The Company hereby amends the Original Report by filing this Amendment No. 2 on Form 8-K/A with such letter as Exhibit 16.1.

Item 9.01 Financial Statements and Exhibits.

The exhibits listed in the following Exhibit Index are filed or furnished as part of this report.

Exhibit No.	Description
7.1	Letter from Moore Stephens dated July 7, 2011
16.1	Letter from Moore Stephens received by Puda Coal, Inc. on August 18, 2011

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PUDA COAL, INC.

Date: August 18, 2011

By: Qiong Wu
Qiong Wu
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
7.1	Letter from Moore Stephens dated July 7, 2011
16.1	Letter from Moore Stephens received by Puda Coal, Inc. on August 18, 2011

EX-7.1 2 v232533_ex7-1.htm

MOORE STEPHENS
 CERTIFIED PUBLIC ACCOUNTANTS

Your Ref:

Our Ref: 3649/2011/GEN/AFGCO02F

 905 Silvercord, Tower 2
 30 Canton Road
 Tsimshatsui
 Kowloon
 Hong Kong

 Tel : (852) 2375 3180
 Fax : (852) 2375 3828
 E-mail : ms@ms.com.hk
 www.ms.com.hk

 馬
施
雲
事
會
務
計
師

7 July 2011

 The Audit Committee
 Puda Coal, Inc.
 426 Xuefu Street
 Taiyuan
 Shanxi Province
 The People's Republic of China

 Attn: Mr. Lawrence S. Wizel
Chairman of the Audit Committee
By E-mail & By Airmail
Strictly Private & Confidential

Dear Sirs,

PUDA COAL, INC.
RESIGNATION

We hereby resign as the independent registered public accounting firm of Puda Coal, Inc. (the "Company"), effective immediately.

Background

On 11 April 2011, the Company announced that its Board of Directors had unanimously ratified the decision of its Audit Committee to launch a full investigation into the allegations concerning unauthorized transfers of subsidiary ownership by the Company's Chairman, Mr. Ming Zhao. In the release, the Company stated that "although the investigation is in its preliminary stages, evidence supports the allegation that there were transfers by Mr. Zhao in subsidiary ownership that were inconsistent with disclosure made by the Company in its public securities filings." The New York Stock Exchange halted trading in the Company's stock that day. On 29 April 2011, in connection with a disclosure of Mr. Zhao's proposal to acquire 100% of the outstanding shares of common stock of the Company, the Company announced that the Audit Committee's investigation was continuing and that the Committee "intends to provide further information when the investigation is complete." There have been no further statements from the Company providing an update on the status of the investigation.

On 7 June 2011, we sent a letter to the Audit Committee (copy attached) requesting an update on the status of the Audit Committee's investigation. Counsel for the Audit Committee provided our counsel with information on the status of the investigation on 30 June 2011. Additional information was provided in discussions on 1 and 4 July 2011. Counsel informed us that, although the Audit Committee's investigation is not complete, the Committee's preliminary findings confirm that in September 2009 Mr. Zhao caused 90% of the shares of Shanxi Puda Coal Group Co., Ltd. ("Shanxi Coal"), then held indirectly by the Company, to be transferred to himself. Counsel stated that the preliminary findings also confirm that Mr. Zhao caused subsequent transfers of Shanxi Coal shares to occur in 2010. The Company provided representations to us in connection with our audits of the Company's consolidated financial statements for the years ended December 31, 2009 and 2010, including in the management representation letters, that are materially inconsistent with such transfers having occurred.

MOORE STEPHENS
CERTIFIED PUBLIC ACCOUNTANTS

Our Ref: 3649/2011/GEN/AFGCO02F

7 July 2011

The Audit Committee
Puda Coal, Inc.

Prior Period Reports

We have reached the conclusion that we are no longer able to rely on the representations of management received in connection with our audits of the Company's consolidated financial statements for the years ended December 31, 2009 and 2010. Accordingly, we request that the Company take immediate steps to make the necessary Form 8-K filing stating that further reliance should no longer be placed on our previously issued audit reports dated March 31, 2010 and March 16, 2011.

Consent of Independent Registered Public Accounting Firm

We hereby consent to a copy of this letter being provided to the U.S. Securities and Exchange Commission ("Commission") and any successor auditor that may be appointed.

Section 10A of the Securities Exchange Act of 1934

The circumstances described above could constitute illegal acts pursuant to Section 10A of the Securities Exchange Act of 1934. Accordingly, we remind the Board of its obligations under Section 10A, including its obligations to provide notice to the Commission.

Yours faithfully,

A handwritten signature in cursive script that reads "Moore Stephens".

JTF/sc